

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

TARIFF FILING OF MARTIN COUNTY WATER)
DISTRICT TO IMPLEMENT A NEW)
NONRECURRING CHARGE, DISCONTINUE) CASE NO.
CERTAIN EXISTING NONRECURRING) 2015-00005
CHARGES, AND INCREASE CERTAIN EXISTING)
NONRECURRING CHARGES)

ORDER

On December 22, 2014, Martin County Water District ("Martin County") submitted a tariff filing to establish certain nonrecurring charges, discontinue certain nonrecurring charges, and increase certain nonrecurring charges regarding the provision of water service to its customers. Finding further proceedings were necessary to determine the reasonableness of the proposed charges, the Commission issued an Order on January 9, 2015, to investigate the proposed charges. The January 9, 2015 Order suspended the proposed charges for five months from the proposed February 1, 2015 effective date, up to and including June 30, 2015.

By this Order, the Commission approves the establishment of the proposed nonrecurring charges, the discontinuance of certain nonrecurring charges, and the reasonable increase of other nonrecurring charges.

Martin County, a water district organized pursuant to KRS Chapter 74, owns and operates a water distribution system that serves approximately 3,525 customers.¹

¹ *Annual Report of Martin County Water District for the Calendar Year Ending December 31, 2014.*

Commission Staff's First Request for Information to Martin County ("Staff's First Request") was issued on March 10, 2015, which required responses by March 25, 2015. On April 6, 2015, Martin County submitted a motion for extension of time of 45 days to respond to Staff's First Request. The Commission granted Martin County's motion by Order dated April 9, 2015. Martin County did not tender its responses to Staff's First Request until May 22, 2015.

Martin County's response to Staff's First Request, Item 21, clarified that the omission of the Field Collection Charge from the proposed tariff was intentional. Martin County stated that the charge is being eliminated to reduce the liability created when field employees accept customer payments.

Commission Staff's Second Request for Information to Martin County ("Staff's Second Request") was issued on June 30, 2015, with responses due by July 15, 2015. Martin County submitted its responses to Staff's Second Request on July 21, 2015. Martin County's response to Staff's Second Request, Item 7, stated that Martin County wished to withdraw from the application the proposed increase to the Returned Check Charge. However, the response misstated the current amount of the Returned Check Charge. Martin County submitted a supplemental response to Staff's Second Request confirming that the current tariffed Returned Check Charge of \$10 will continue to be in effect.

Commission Staff's Third Request for Information to Martin County ("Staff's Third Request") was issued on August 18, 2015, with responses due by September 2, 2015. Martin County submitted its responses on September 4, 2015. In its response to Staff's Third Request, Item 1, Martin County stated that there are no customers on the system

served by six- or eight-inch meters, and that Martin County intends to remove the two meter classifications from its tariff.

Having considered the evidence and being otherwise sufficiently advised, the Commission finds that:

1. Martin County's current tap fee of \$350 for a 5/8-inch X 3/4-inch meter became effective December 14, 1989.²

2. Martin County's proposal in its application to eliminate the Field Collection Charge to reduce the liability of the field employees should be approved.

3. Martin County's request to withdraw the proposed increase to the Returned Check Charge should be approved.

4. Martin County has no customers served by six- and eight-inch meters. The Commission finds that revising the deposit amounts for all other meter sizes smaller than the six-inch size while leaving the current deposit amounts for six- and eight-inch meters would potentially create confusion with Martin County's customers. Therefore, the Commission will treat Martin County's September 4, 2015 response to Staff's Third Request as a request to remove the deposit amounts for six- and eight-inch meters, and the request should be granted.

5. The remaining proposed increases to nonrecurring charges made by Martin County are supported by the cost incurred to provide the services and should be approved.

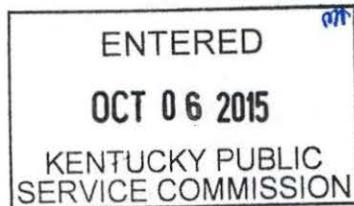
6. The charges as set out in the Appendix to this Order are equal to the expenses incurred to provide the associated services and should be approved.

² Case No. 1989-00159, *In the Matter of an Adjustment of Rates of the Martin County Water District No. 1* (Ky. PSC Dec. 14, 1989).

IT IS THEREFORE ORDERED that:

1. Martin County's requests to remove the Field Collection Charge and the deposit amount for six- and eight-inch meters and to withdraw the proposed increase to the Returned Check Charge are approved.
2. Martin County's other proposed rates are approved.
3. The rates in the Appendix to this Order are fair, just, and reasonable and are approved for services rendered by Martin County on or after the date of this Order.
4. Within 20 days of the date of this Order, Martin County shall file with the Commission, using the Commission's electronic Tariff Filing System, revised tariff sheets showing the rates approved herein.

By the Commission



ATTEST:

Executive Director

APPENDIX

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2015-00005 DATED **OCT 06 2015**

The following rates and charges are prescribed for the customers in the area served by Martin County Water District. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Nonrecurring Charges

Tap Fee 5/8- x 3/4-Inch Meter	\$ 1,000.00
Meter Turn-on Charge	\$ 40.00
Meter Turn-on Charge (After Hours)	\$ 60.00
Meter Re-read	\$ 40.00
Meter Test (Customer Request)	\$ 75.00
Service Call/Investigation	\$ 40.00
Service Call/Investigation (After Hours)	\$ 60.00
Meter Service Damage	Actual Cost
Meter Reconnection	\$ 40.00
Meter Reconnection (After Hours)	\$ 60.00

Deposits

5/8- x 3/4-Inch Meter	\$ 90.00
1-Inch Meter	\$ 95.00
1 1/2-Inch Meter	\$ 160.00
2-Inch Meter	\$ 295.00
3-Inch Meter	\$ 430.00
4-Inch Meter	\$ 700.00

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